

U.S. Department of Justice
Drug Enforcement Administration
Intelligence Division



October 1992

SOURCE to the **STREET**



Mid-1992 Prices for:
Cannabis
Cocaine
Heroin

DEA-92012

COMPLETED

SOURCE

to the

STREET

**Mid-1992 Prices for
Cannabis
Cocaine
Heroin**

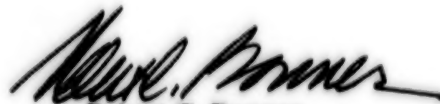
Drug Enforcement Administration
Intelligence Division
Strategic Intelligence Section
(202) 307-8070

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Administrator's Message

This edition of *Source to the Street* charts mid-1992 drug prices from cultivation areas to the street level in the United States. For instance, the price of cocaine is followed from the sale of coca leaves in Bolivia to the sale of cocaine hydrochloride in gram quantities in U.S. cities.

The type of information outlined in *Source to the Streets* reflects quite clearly how much money is involved in the drug traffic and at what stages the greatest profits can be realized.



Robert C. Bonner
Administrator of
Drug Enforcement

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Source to the Street

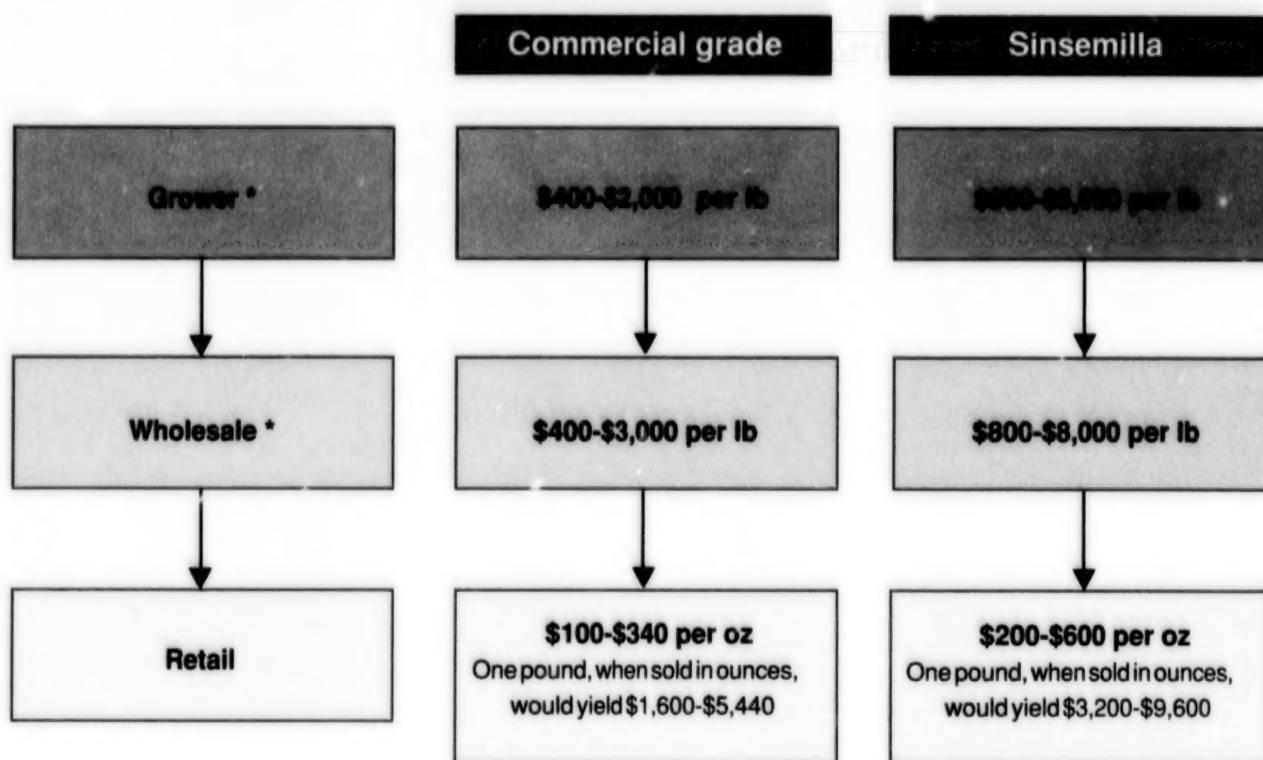
Mid-1992 Prices for Cannabis, Cocaine, and Heroin

The following charts give the prices for cannabis, cocaine, and heroin at successive stages of production and trafficking. Prices fluctuate depending on place, time of year and local demand. The figures given in these charts are representative of the general prices for areas specified. Prices reflect DEA field reporting data as of July 1992. Purities are based on averages of available information at the various stages of trafficking. Drug availability, demand and law enforcement pressure will greatly affect purity and price.

The information contained in this report is frequently requested by law enforcement officials and policy makers.

Domestic Marijuana

Selling Prices for One Pound of Marijuana at Successive Levels of Trafficking



*Grower and wholesale selling prices closely parallel each other because growers often will act as whole-sale level distributors.

Hashish

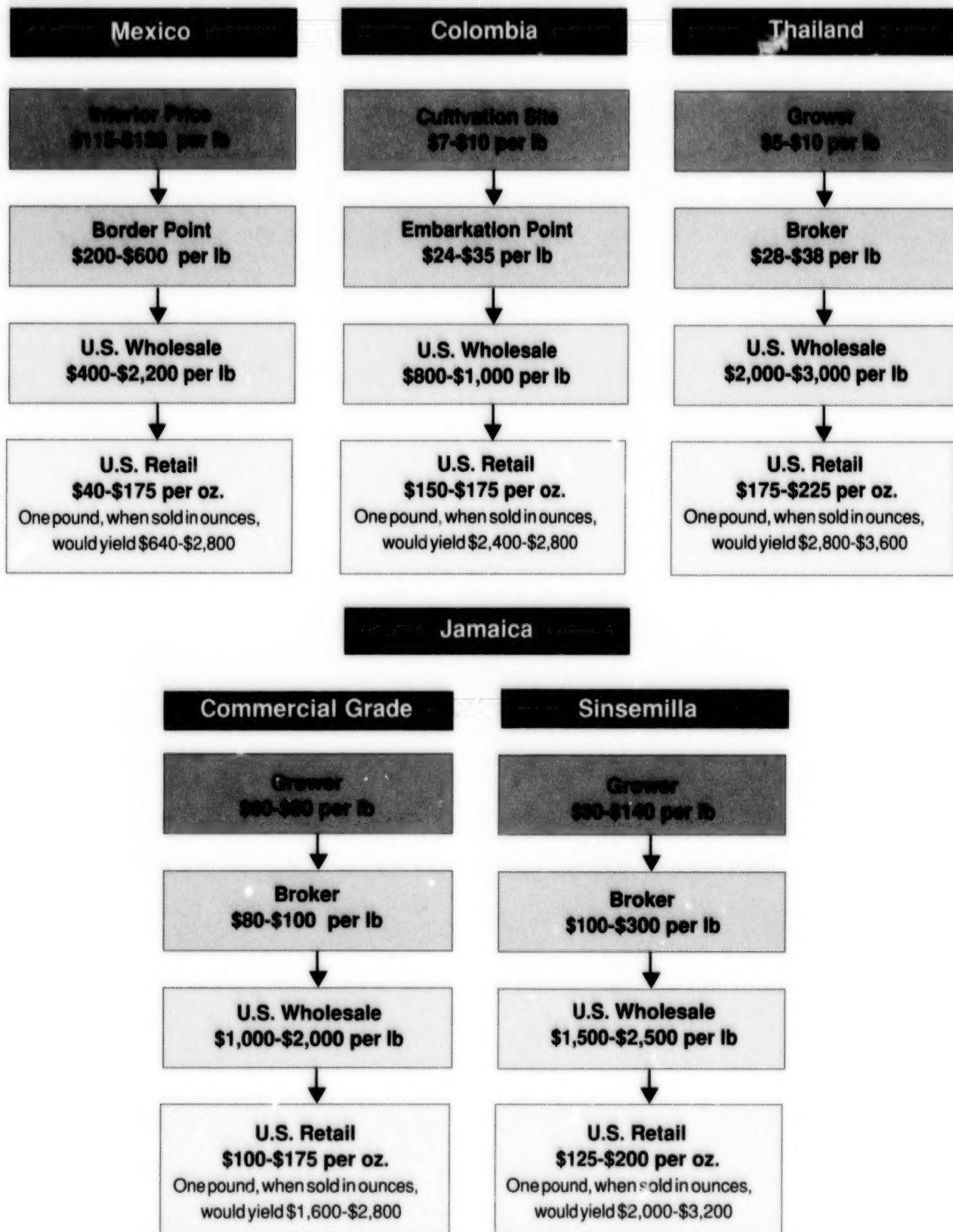
Since American cannabis users prefer marijuana, there is limited trafficking in hashish. When encountered, however, a pound of hashish at the retail level sells for \$1,600 to \$6,000; an ounce for \$150 to \$600. The probable sources of hashish available in the United States are Pakistan/Afghanistan, Lebanon, and Morocco. (Lebanese hashish ranges in price from \$25 to \$74 per kilogram in Lebanon.)

Hashish Oil

Hashish oil is imported into the United States generally from Jamaica for sale at the gram level. Prices range from \$35 to \$55 per gram.

Foreign Source Marijuana

Selling Prices for One Pound of Marijuana at Successive Levels of Trafficking



Drug Source Countries

Marijuana

Colombia
Jamaica
Mexico
Thailand
United States

Coca/Cocaine

Bolivia
Colombia
Peru

Opiates/Heroin

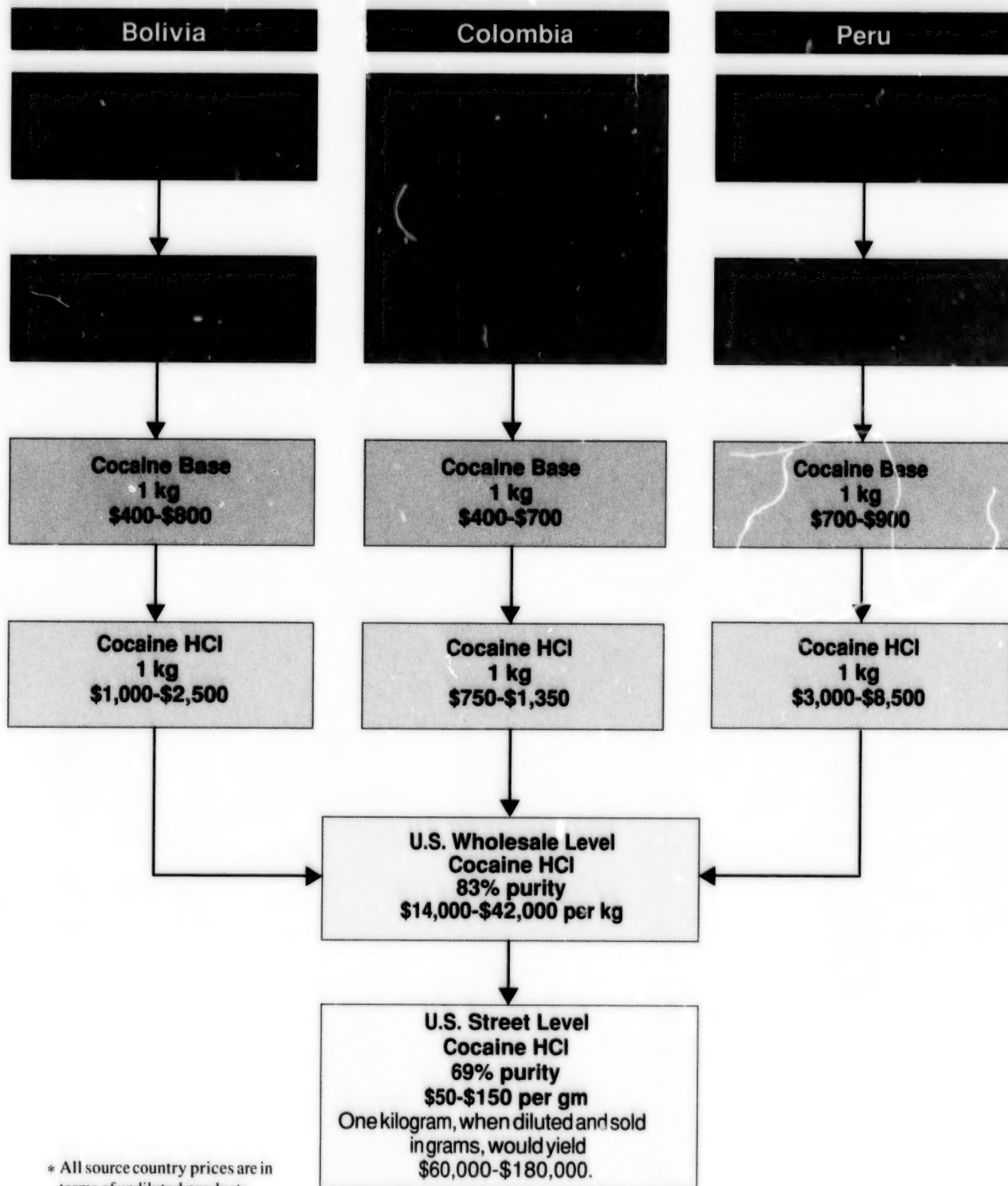
Afghanistan
Burma
Colombia
Guatemala
Iran
Lebanon
Loas
Mexico
Pakistan
Thailand





Cocaine

Selling Prices for Cocaine at Successive Stages of Trafficking.*



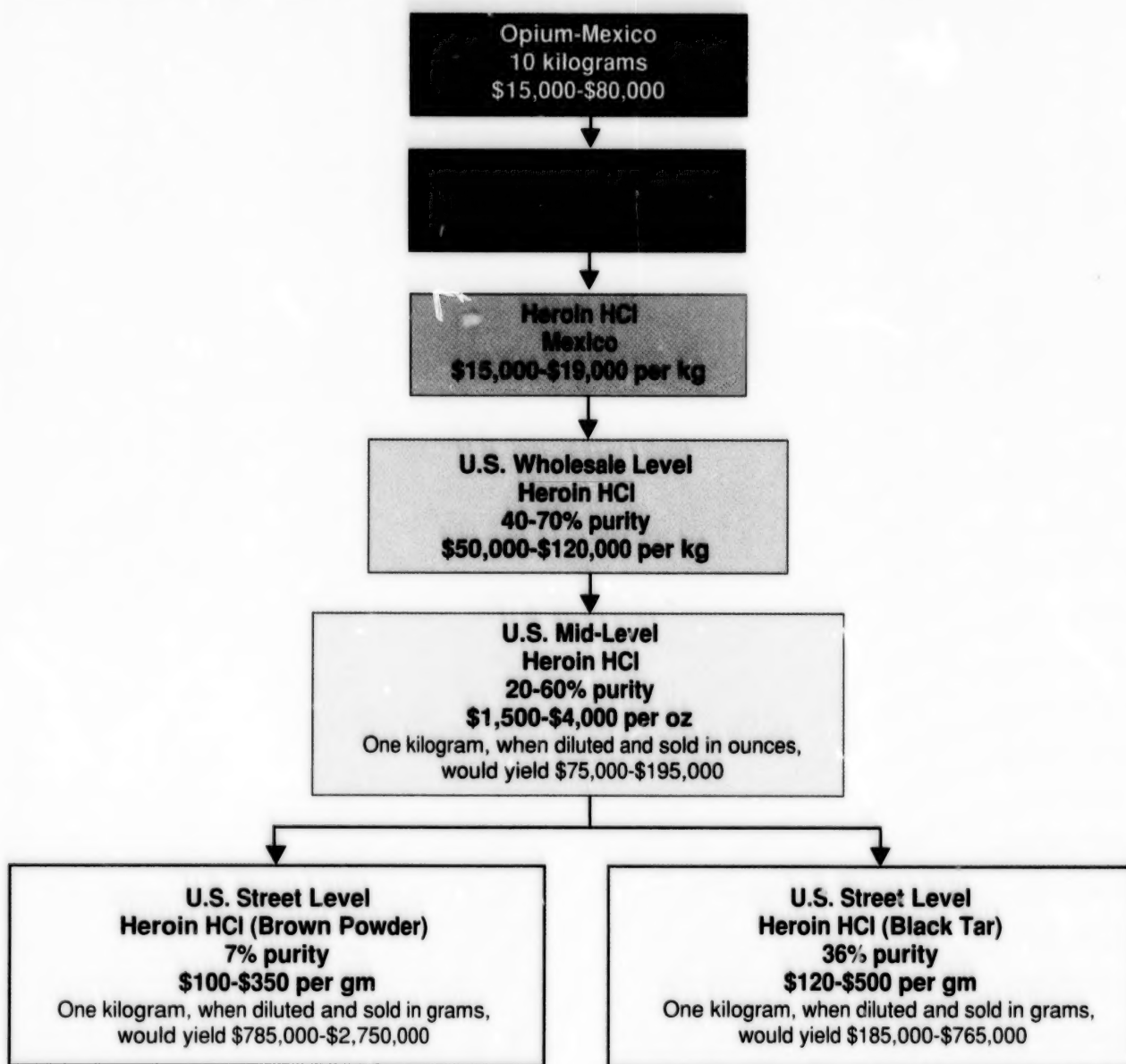
* All source country prices are in terms of undiluted products.

** The majority of Peruvian coca growers now process the leaves directly into paste, thereby reducing the bulk of the product transported to buyers.

*** One carga equals 100 lbs.

Mexican Heroin

Selling Prices for the Equivalent of One Kilogram of Mexican Heroin at Successive Stages of Trafficking



Although many small, independent traffickers now smuggle heroin within Mexico and across the border into the United States, some large organizations remain which direct virtually all aspects of heroin trafficking to include opium poppy cultivation, the refining process, and the movement of the heroin within Mexico. These same organizations may also control the smuggling of the heroin into the United States and its eventual sale at both the wholesale and retail levels.

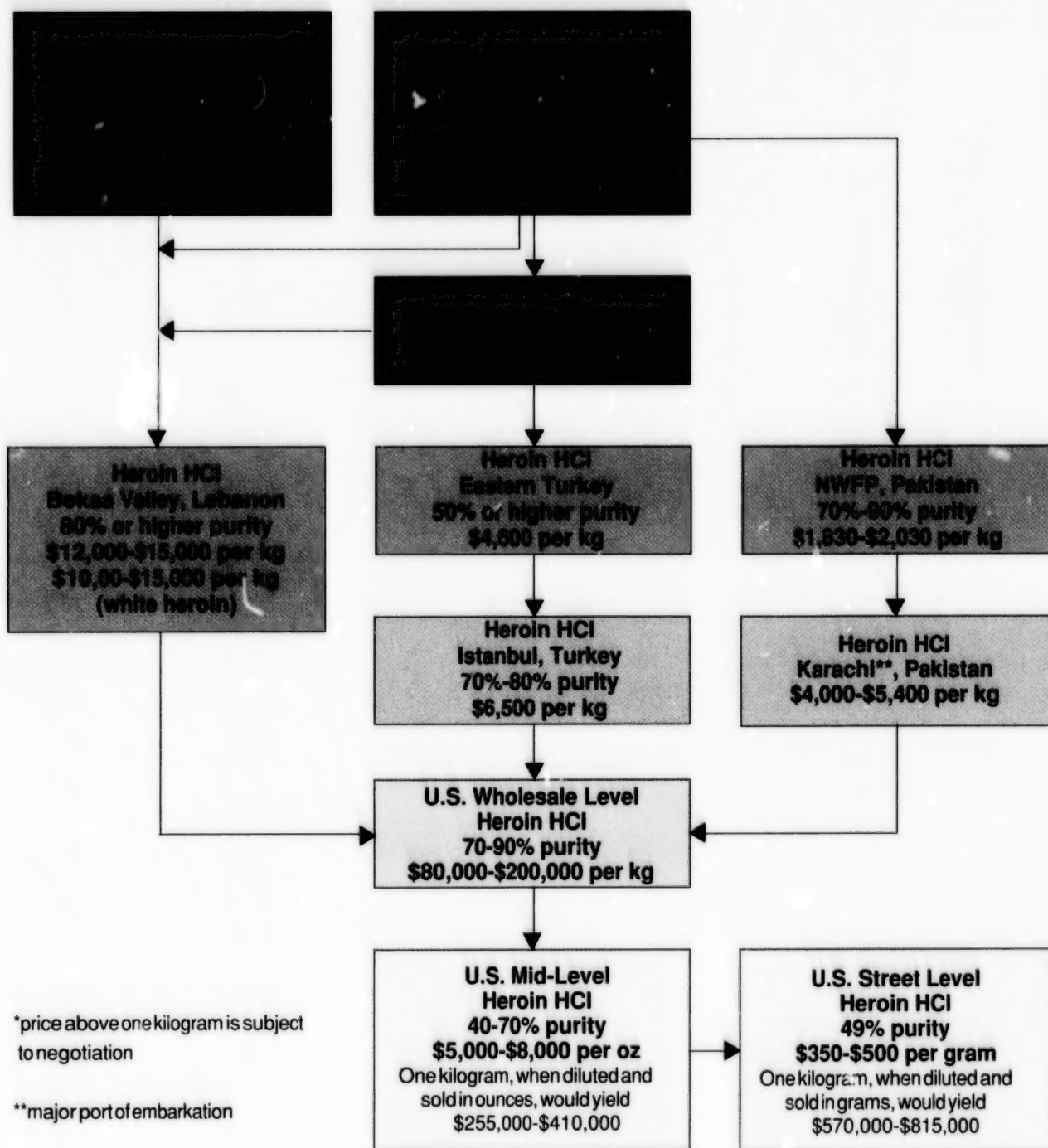
Colombia has emerged as a source country for heroin distributed in the United States. Due to the trade's rapid development, however, information on prices at successive stages is limited.

In early 1992, a kilogram of Colombian opium ranged in price from \$1,100 to \$1,900. By June 1992, opium gum had saturated local markets causing prices to drop to \$670-\$770 per kilogram in some areas. A kilogram of morphine base reportedly cost \$18,000.

The kilogram price of Colombian-produced heroin ranges from \$40,000 to \$100,000 in Colombia depending on purity and place of delivery. In the United States, prices are generally comparable to those for Southeast and Southwest Asian heroin. Wholesale kilogram prices range from \$80,000-\$180,000 varying with purity and point of delivery.

Southwest Asian Heroin

Selling Prices for the Equivalent of One Kilogram of Southwest Asian Heroin at Successive Stages of Trafficking

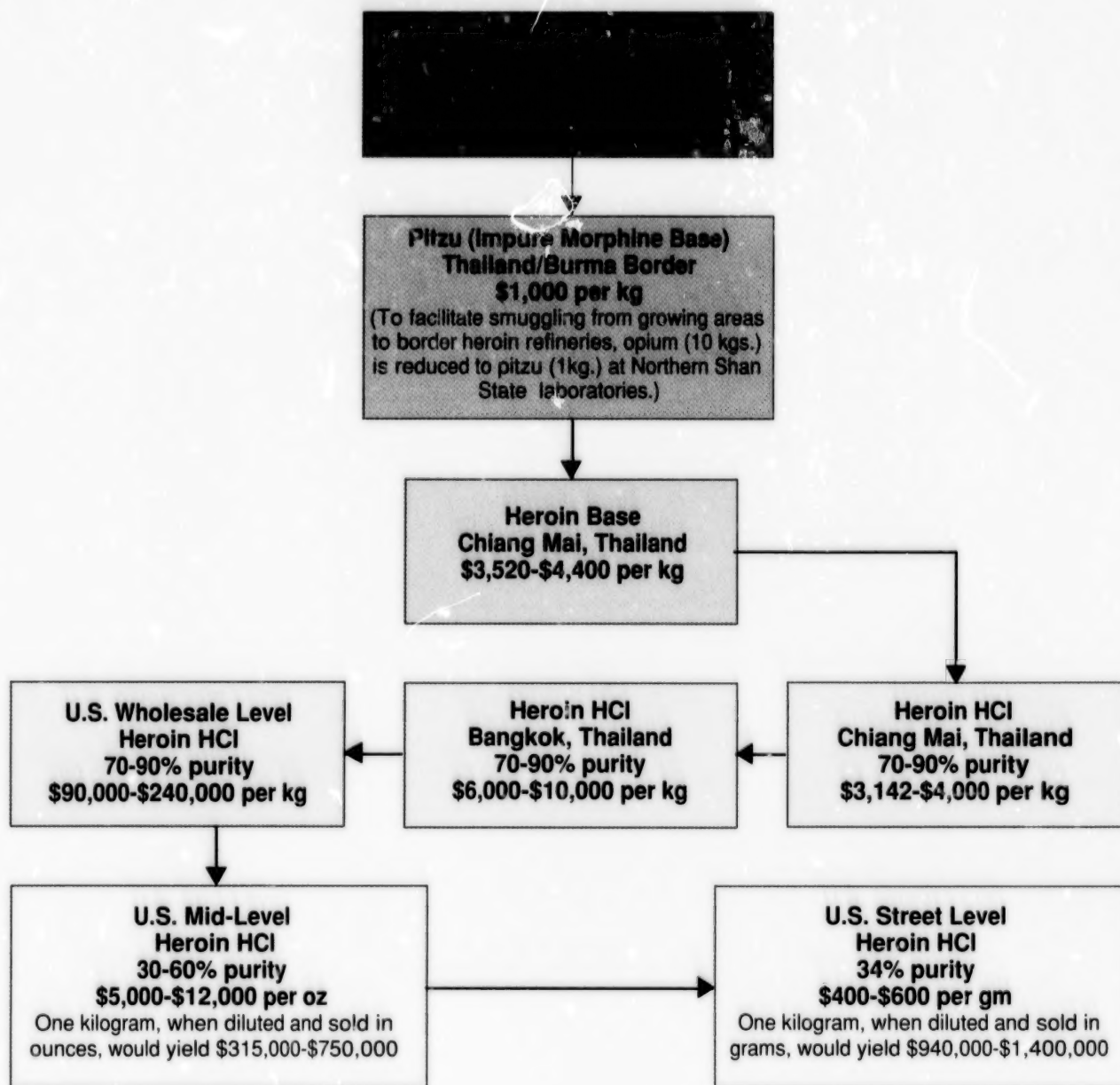


The change in price levels as opiates move from source to the street reflects primarily the profit motive of dealers at each level of distribution. Factors such as geographic distance from source (and hence replacement), increased refinement and portability through laboratory processing, and greater risk of seizure at borders and in distribution systems also affect the cost.

Southwest Asian heroin is produced in laboratories in Pakistan, Afghanistan, Iran, and several Middle Eastern countries. The morphine base used in these laboratories comes from Pakistan and Afghanistan, which also are opium source areas.

Southeast Asian Heroin

Selling Prices for the Equivalent of One Kilogram of Southeast Asian Heroin at Successive Stages of Trafficking



The change in price levels as opiates move from source to the street primarily reflects the profit motive of dealers at each level of distribution. Factors such as geographic distance from the source (and hence replacement), increased refinement and portability through laboratory processing, and greater risk of seizure at borders and in distribution systems also affect the cost.

Southeast Asian opiates, from opium to heroin, are produced in Burma, Laos, and Thailand. Heroin from these laboratories is usually the injectable type (No.4) and averages from 70 to 90 percent in purity. Heroin base is smuggled into Malaysia for further processing. The smoking heroin (No.3, with a purity range of 20 to 40 percent) produced in these locations is primarily for local consumption.

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Distribution

The White House
National Security Council
Office of National Drug Control Policy

Department of Justice
Federal Bureau of Investigation/DIU
Federal Bureau of Prisons
Immigration and Naturalization Service
INTERPOL/USNCB
Organized Crime Drug Enforcement Task Forces
U.S. Marshals Service

Department of the Treasury
Bureau of Alcohol, Tobacco and Firearms
Internal Revenue Service
U.S. Customs Service
U.S. Secret Service

Department of Defense
Defense Intelligence Agency
National Security Agency

Central Intelligence Agency/CNC

Department of State

U.S. Coast Guard

DEA Headquarters
DEA Field Offices
DEA Laboratories

El Paso Intelligence Center
Financial Crimes Enforcement Network
National Drug Intelligence Center

International Association of Chiefs of Police (Narcotics Committee)
National Alliance of State Drug Enforcement Agencies
National Sheriff's Association



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